

Housing Starts

National Data

	Total	SF	MF:2-4	MF:5+
Aug 1990	1,131	835	30	266
Mar 1991	907	742	28	137
Apr 1991	977	801	32	144
May 1991	983	831	36	116
Jun 1991	1,034	869	24	141
Jul 1991	1,059	887	44	128
Aug 1991	1,065	892	47	126

Annual Averages:

1989	1,376	1,003	55	318
1990	1,193	895	38	260

Percent Changes in August 1991 since:

Aug 1990	-5.8	6.8	56.7	-52.6
Jul 1991	0.6	0.6	6.8	-1.6

Regional Data

	Northeast	Midwest	South	West
Aug 1990	122	240	434	335
Mar 1991	104	226	390	187
Apr 1991	93	236	395	253
May 1991	114	216	367	286
Jun 1991	145	244	393	252
Jul 1991	107	232	444	276
Aug 1991	119	251	433	262

Annual Averages:

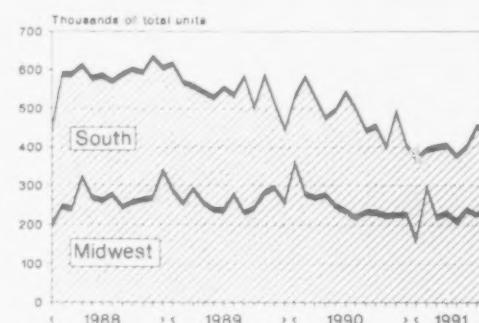
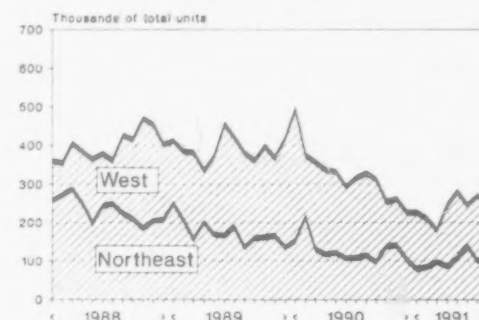
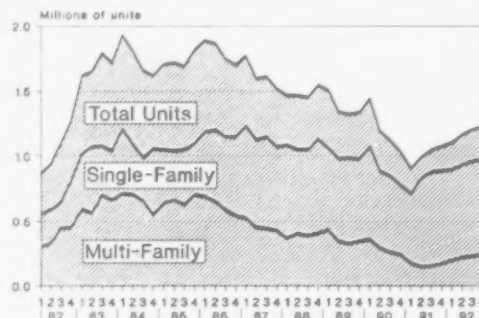
1989	179	266	536	396
1990	131	253	479	329

Percent Changes in August 1991 since:

Aug 1990	-2.5	4.6	-0.2	-21.8
Jul 1991	11.2	8.2	-2.5	-5.1

Levels are seasonally adjusted annual rates, in thousands.

Source: Bureau of the Census, Construction Reports, Series C25



Housing starts edged up another 0.6% in August to 1.065 million units. When compared with the average 4% monthly gains recorded since April of this year, August's performance appears lackluster. However, the stellar performance in the spring reflects the release of the pent-up demand resulting from the Persian Gulf War. Now that this has dissipated, recovery is expected to be gradual.

The construction of single-family homes was listless in August, with starts increasing an anemic 0.6% to 892,000 units. In the multifamily market, performance was mixed. The construction of homes with 2 to 4 units increased a robust 6.8% to 47,000 units, while the construction of homes with 5 or more units declined 1.6% to 126,000 units.

Of the four Census reporting regions, the Northeast

recorded the largest increase in August. After a disappointing 26.2% decline in July, starts rebounded 11.2% to 119,000 units. Building activity was also strong in the Midwest, where starts advanced 8.2% to 251,000 units. In the West, starts dropped 5.1% to 262,000 units, while the South saw a more modest decline of 2.5% to 433,000 units.

According to the NAR forecast, housing starts are expected to average 1.075 million units during the second half of this year, which translates into a 12.3% gain over the first half of 1991. Falling mortgage rates will continue to fuel housing construction into 1992. Starts of multifamily homes will account for much of the gain in 1992, advancing 32.8% to 236,000 units, while single-family starts will post a healthy 13.5% increase to 951,000 units.

National Data

		Mo. Ago % Chg.	Yr. Ago % Chg.
Aug 1990	525	-3.0	-27.0
Sep 1990	504	-4.0	-21.0
Oct 1990	465	-7.7	-26.9
Nov 1990	480	3.2	-30.1
Dec 1990	464	-3.3	-26.7
Jan 1991	414	-10.8	-34.0
Feb 1991	488	17.9	-19.5
Mar 1991	495	1.4	-11.4
Apr 1991	506	2.2	-5.2
May 1991	507	0.2	-5.1
Jun 1991	520	2.6	-5.3
Jul 1991	506	-2.7	-6.5
Aug 1991	540	6.7	2.9

Annual Averages:

1989	650	-3.3
1990	534	-17.8

Regional Data

	Northeast	Midwest	South	West
Aug 1990	63	88	236	138
Mar 1991	46	99	206	144
Apr 1991	58	90	222	137
May 1991	58	101	203	144
Jun 1991	59	96	212	152
Jul 1991	67	81	209	149
Aug 1991	69	101	221	149

Annual Averages:

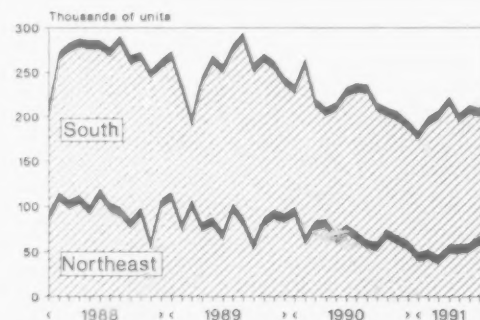
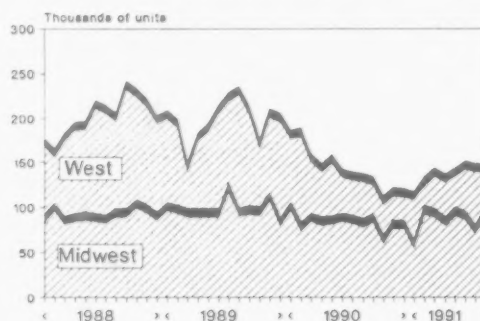
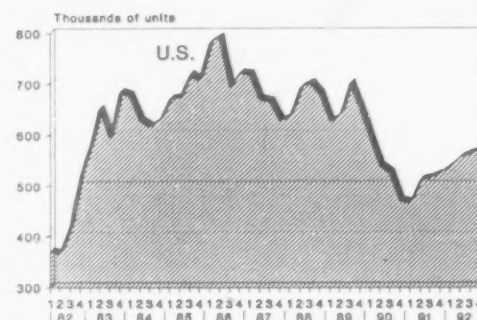
1989	86	102	260	202
1990	71	89	225	149

Percent Changes in August 1991 since:

Aug 1990	9.5	14.8	-6.4	8.0
Jul 1991	3.0	24.7	5.7	0.0

Levels are seasonally adjusted annual rates, in thousands.

Source: Bureau of the Census, Construction Reports, Series C25



After dipping in July, new home sales rebounded 6.7% in August. The continued decline in mortgage rates, which have fallen nearly one percentage point since August of 1990, brought a stream of home buyers into the market. August's rate of 540,000 units is the highest figure recorded in one year.

Three of the four Census reporting regions recorded increases in August, but most of the gain was concentrated in the Midwest. An increase of 24.7% puts August's rate of 101,000 units 14.8% above the rate recorded in August of 1990. In the South, the sales pace also gathered momentum, increasing 5.7% to 221,000 units.

After advancing an impressive 13.6% in July, sales increased another 3.0% in the Northeast in August. These latest gains provide further evidence that the

market has finally bottomed out in the Northeast. In the West, the sales pace held steady at July's rate of 149,000 units, which is 8.0% above the figure recorded one year ago.

According to the NAR forecast, the sales rate will average 520,000 units during the latter half of 1991. As a more sustainable recovery takes hold, the sales pace is expected to accelerate. In the first half of 1992, the sales rate is forecast to average 547,000 units. Additional gains are projected for the remainder of 1992, and for the entire year sales are expected to post a 10.4% gain over 1991.

Low mortgage rates will continue to fuel the demand for new homes in 1993. Overall, the sales rate is projected to increase a healthy 5.3% to 586,000 units in 1993.

Existing Home Sales

National Data

		Mo. Ago % Chg.	Yr. Ago % Chg.
Aug 1990	3,410	2.7	-0.9
Sep 1990	3,160	-7.3	-10.0
Oct 1990	3,070	-2.8	-12.0
Nov 1990	3,150	2.6	-11.5
Dec 1990	3,130	-0.6	-12.1
Jan 1991	2,900	-7.3	-16.4
Feb 1991	3,160	9.0	-7.6
Mar 1991	3,220	1.9	-6.4
Apr 1991	3,310	2.8	-1.8
May 1991	3,540	6.9	5.7
Jun 1991	3,590	1.4	6.5
Jul 1991	3,320	-7.5	0.0
Aug 1991	3,250	-2.1	-4.7

Annual Averages:

1989	3,440	-4.3
1990	3,296	-4.2

Regional Data

	Northeast	Midwest	South	West
Aug 1990	520	930	1,380	570
Mar 1991	490	970	1,230	520
Apr 1991	540	910	1,300	570
May 1991	550	980	1,400	610
Jun 1991	570	920	1,490	620
Jul 1991	580	870	1,270	600
Aug 1991	540	890	1,280	540

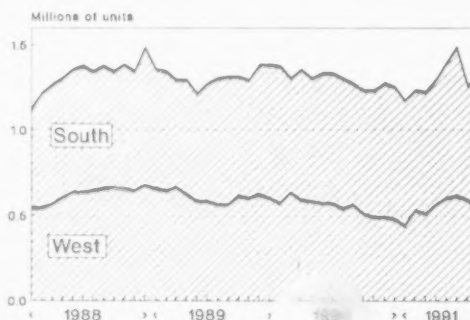
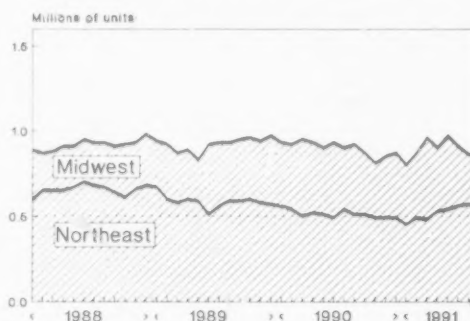
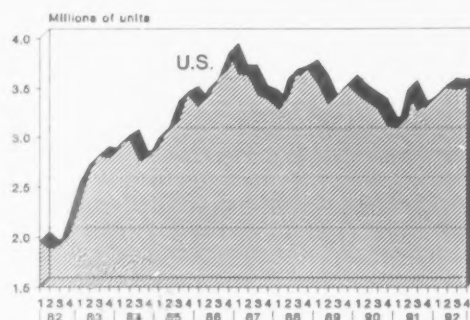
Annual Averages:

1989	589	919	1,307	610
1990	522	892	1,325	557

Percent changes in August 1991 since:

Aug 1990	3.8	-4.3	-7.2	-5.3
Jul 1991	-6.9	2.3	0.8	-10.0

Levels are seasonally adjusted annual rates, in thousands.
Source: National Association of Realtors, 'Home Sales'



The rate of existing home sales deteriorated for the second consecutive month in August. After a 5-month rally which resulted in an overall gain of 23.8%, the resale rate contracted 7.5% in July and another 2.1% in August. The resale rate currently stands at 3.25 million units, which is 4.7% below the rate recorded one year ago.

The surge of activity that began in February reflected renewed consumer optimism at the close of the Gulf War and a desire to take advantage of low mortgage rates. Now that the pent-up demand has been spent, the market is returning to a more sustainable course of growth.

By region, the Midwest recorded the largest gain in August, with sales increasing 2.3% to 890,000 units. The South also posted an increase in August, with sales

edging up 0.8% to 1.28 million units. Both the West and the Northeast suffered losses in August, with the West taking the hardest hit. Sales dropped 10.0% to 540,000 units in the West, and 6.9% to 540,000 units in the Northeast.

After a weak third quarter, the sales pace is expected to pick up during the fourth quarter of 1991. By year end, the resale rate should stand at 3.33 million units, which translates into a 1.7% gain over the third quarter's figure of 3.27 million units.

These gains, combined with lower mortgage rates, will position the resale market for stable growth in 1992, when sales are projected to increase 5.8% to 3.48 million units. In 1993, the rate of existing home sales will continue to increase, but at the slower pace of 2.3% to 3.56 million units.

Prices of New & Existing Homes

National Data

	Median		Average	
	Existing	New	Existing	New
Aug 1990	97,200	118,400	120,700	144,700
Mar 1991	98,200	122,500	125,200	156,400
Apr 1991	100,300	121,000	128,900	150,800
May 1991	101,100	116,000	130,600	145,400
Jun 1991	102,000	119,500	130,500	145,800
Jul 1991	103,600	119,900	132,200	148,400
Aug 1991	101,800	122,000	130,500	141,800

Annual Averages:

1989	93,100	120,000	118,100	148,800
1990	95,500	122,900	118,600	149,800

Percent changes in August 1991 since:

Aug 1990	4.7	3.0	8.1	-2.0
Jul 1991	-1.7	1.8	-1.3	-4.4

Regional Data

Median Prices for Existing Single-Family Homes

	Northeast	Midwest	South	West
Aug 1990	145,300	75,100	87,200	140,200
Mar 1991	142,700	78,200	87,300	147,300
Apr 1991	144,800	77,900	88,000	151,000
May 1991	144,900	77,500	88,900	152,100
Jun 1991	141,800	78,300	90,700	148,600
Jul 1991	143,500	79,200	93,600	148,800
Aug 1991	144,400	78,900	91,100	144,700

Annual Averages:

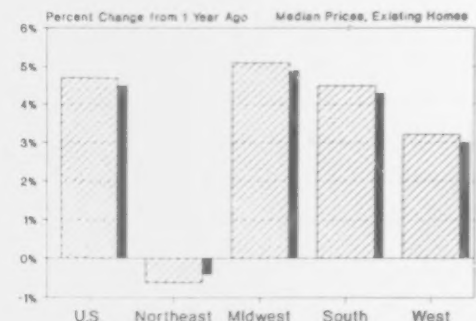
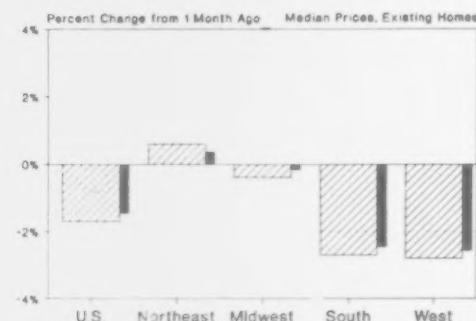
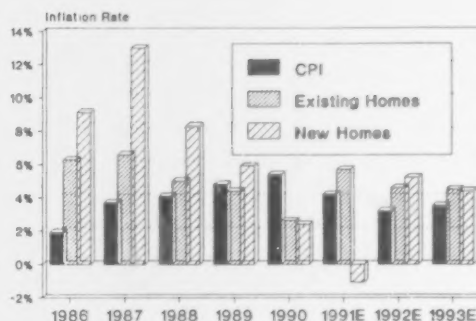
1989	145,200	71,300	84,500	139,900
1990	141,200	74,000	85,900	139,600

Percent changes in August 1991 since:

Aug 1990	-0.6	5.1	4.5	3.2
Jul 1991	0.6	-0.4	-2.7	-2.8

Levels are shown in dollars.

Source: National Association of Realtors, 'Home Sales'



After increasing 5.5% since March of 1991, the median price of existing single-family homes softened in August, dropping 1.7% to \$101,800. Despite this decline, the median price remains 4.7% above the figure recorded one year ago.

Meanwhile, in the market for new homes, a recent decline in the number of units available for sale is expected to moderate any decline in price. August's figure, which increased 1.8% from July, reflects this tighter inventory.

On a regional basis, the Northeast was the only region to record an increase in the median price of existing homes in August. The median price edged up 0.6% from July's figure of \$143,500. Each of the remaining regions experienced price declines in August. In the West, the median price decreased 2.8% to \$144,700. The

South experienced a comparable decline of 2.7% to \$91,100, while the price in the Midwest fell 0.4% to \$78,900.

Prices for both existing and new homes are expected to appreciate modestly over the forecast interval. During the latter half of 1991, median prices of existing single-family homes are expected to average \$102,700. This represents a 4.3% increase over the first half of 1991. In 1992, the median price will continue to firm, increasing 4.6% to \$105,300.

During the second half of 1991, the median price of new single-family homes should stand 2% above the figure for the first half of 1991. Building on this momentum, prices will continue to appreciate in 1992, increasing 5.2% to \$127,300. In 1993, prices are projected to increase 4.4% to \$132,800.

Construction

Value of Construction Put in Place

Total

	Level	Mo. Ago % Chg.	Yr. Ago % Chg.
Aug 1990	403.0	-1.0	-1.5
Sep 1990	393.3	-2.4	-4.4
Oct 1990	391.2	-0.5	-3.8
Nov 1990	388.8	-0.6	-5.6
Dec 1990	380.6	-2.1	-6.4
Jan 1991	366.5	-3.7	-11.8
Feb 1991	369.3	0.8	-12.6
Mar 1991	362.0	-2.0	-13.9
Apr 1991	366.8	1.3	-10.9
May 1991	359.3	-2.0	-11.9
Jun 1991	357.3	-0.6	-12.1
Jul 1991	361.4	1.1	-11.2
Aug 1991	361.6	0.1	-10.3

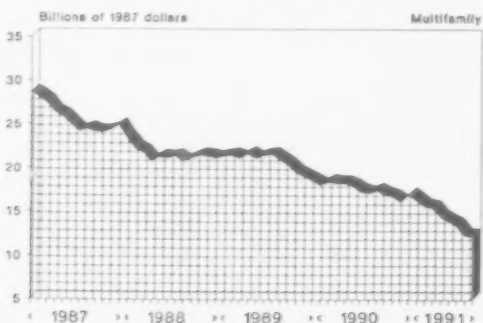
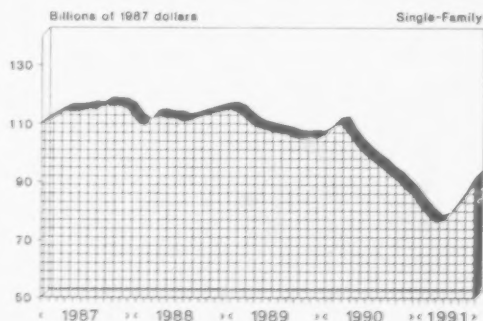
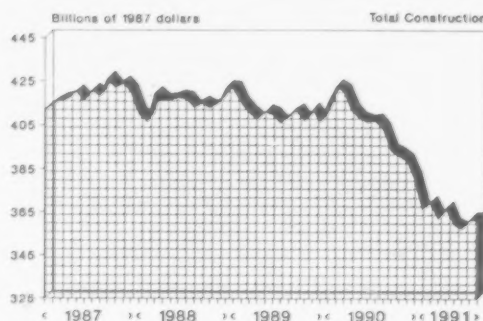
Single-Family Housing

	Level	Mo. Ago % Chg.	Yr. Ago % Chg.
Aug 1990	95.3	-2.1	-10.4
Sep 1990	92.8	-2.6	-11.9
Oct 1990	90.9	-2.0	-13.4
Nov 1990	88.0	-3.2	-16.4
Dec 1990	85.7	-2.6	-18.5
Jan 1991	81.8	-4.6	-23.2
Feb 1991	78.6	-3.9	-28.2
Mar 1991	76.3	-2.9	-30.6
Apr 1991	77.0	0.9	-27.3
May 1991	79.7	3.5	-22.1
Jun 1991	83.2	4.4	-16.3
Jul 1991	87.1	4.7	-10.5
Aug 1991	91.7	5.3	-3.8

Multifamily Housing

	Level	Mo. Ago % Chg.	Yr. Ago % Chg.
Aug 1990	17.4	1.8	-16.7
Sep 1990	16.9	-2.9	-16.7
Oct 1990	16.7	-1.2	-13.9
Nov 1990	16.1	-3.6	-15.3
Dec 1990	16.9	5.0	-8.6
Jan 1991	16.3	-3.6	-9.4
Feb 1991	15.6	-4.3	-15.2
Mar 1991	15.4	-1.3	-15.4
Apr 1991	14.4	-6.5	-20.9
May 1991	13.9	-3.5	-22.3
Jun 1991	13.4	-3.6	-22.5
Jul 1991	12.3	-8.2	-28.1
Aug 1991	12.2	-0.8	-29.9

Levels are seasonally adjusted billions of 1987 dollars
Source: Bureau of the Census



The total value of construction put in place inched up 0.1% in August to \$361.6 billion after posting a gain of 1.1% in July. This is the first increase in consecutive months since February 1990, when the current slide in construction began.

In the residential sector, single-family housing construction continued its strong recovery, while the value of multifamily construction remained in the doldrums of a saturated market. After a year of continuous decline, single-family construction has rebounded with gains in the last five months. August's gain of 5.3% to \$91.7 billion is the largest in this string of increases. Multifamily construction fell for the eighth consecutive month. August's 0.8% decline, which is the smallest drop in the current streak, left expenditures 29.9% below the level of a year ago.

Value of Construction Put in Place

Offices*

	Level	Mo. Ago % Chg.	Yr. Ago % Chg.
Aug 1990	25.8	-2.3	-10.4
Sep 1990	25.7	-0.4	-11.1
Oct 1990	25.0	-2.7	-11.7
Nov 1990	24.2	-3.2	-14.8
Dec 1990	24.0	-0.8	-12.7
Jan 1991	23.2	-3.3	-16.2
Feb 1991	23.3	0.4	-15.3
Mar 1991	22.0	-5.6	-19.1
Apr 1991	23.7	7.7	-10.9
May 1991	20.9	-11.8	-16.7
Jun 1991	20.3	-2.9	-22.8
Jul 1991	19.7	-3.0	-25.4
Aug 1991	18.7	-5.1	-27.5

Industrial*

	Level	Mo. Ago % Chg.	Yr. Ago % Chg.
Aug 1990	20.5	-16.3	3.0
Sep 1990	20.3	-1.0	-1.5
Oct 1990	20.5	1.0	3.0
Nov 1990	20.2	-1.5	2.0
Dec 1990	20.7	2.5	8.9
Jan 1991	20.2	-2.4	-3.8
Feb 1991	20.9	3.5	-9.1
Mar 1991	20.7	-1.0	-7.6
Apr 1991	21.9	5.8	0.0
May 1991	18.7	-14.6	-15.0
Jun 1991	18.7	0.0	-13.8
Jul 1991	18.7	0.0	-23.7
Aug 1991	18.2	-2.7	-11.2

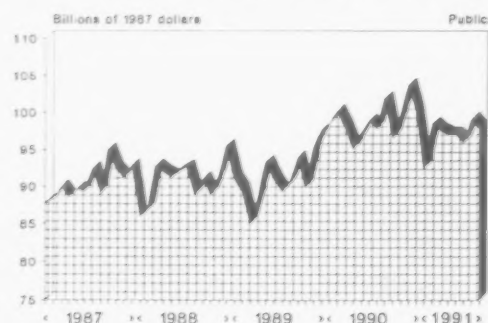
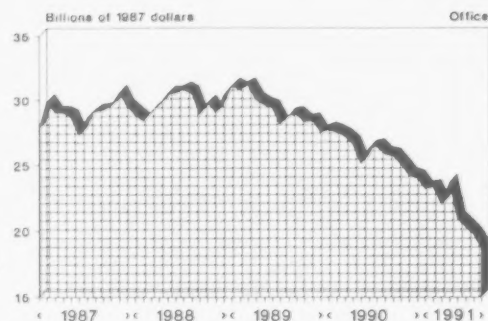
Public

	Level	Mo. Ago % Chg.	Yr. Ago % Chg.
Aug 1990	101.8	4.1	12.4
Sep 1990	96.6	-5.1	2.9
Oct 1990	99.9	3.4	11.1
Nov 1990	103.6	3.7	8.8
Dec 1990	100.0	-3.5	2.5
Jan 1991	92.5	-7.5	-6.2
Feb 1991	98.4	6.4	-1.7
Mar 1991	97.5	-0.9	-0.4
Apr 1991	97.0	-0.5	2.0
May 1991	97.0	0.0	-0.2
Jun 1991	95.9	-1.1	-2.9
Jul 1991	99.0	3.2	1.2
Aug 1991	97.8	-1.2	-3.9

*Note: In September's issue, figures for the office and industrial categories were switched in the tables. We regret any inconvenience this may have caused.

Levels are seasonally adjusted billions of 1987 dollars

Source: Bureau of the Census



Office construction's downward spiral continued in August as the value put in place fell 5.1% to \$18.7 billion. Tight credit conditions and record-setting office vacancy rates across the nation will postpone any recovery from the current descent, which began in early 1989.

Public construction continued to level off in August, falling 1.2% to \$97.8 billion. The future is expected to hold much of the same as budget crunches on federal, state, and local levels make it unlikely that public works projects will be used to jump start the economy.

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Forecasting & Policy Analysis

Commercial Real Estate Outlook

Commercial real estate markets across the country remained in a slump during 1990 and the first half of 1991. Many markets already saddled with an excess supply of space built during the mid- and late-1980s experienced worsening conditions during the recession as demand fell for most types of commercial/investment real estate. At the same time, stricter financial lending controls led to a "credit-crunch" whereby developers and investors were forced to compete for a greatly reduced pool of capital. On the positive side, the tight credit market resulted in a sharp drop in new commercial construction and allowed time for absorption of some excess space in overbuilt markets. Specific strengths and weaknesses have been identified in the commercial real estate markets of each region.

Northeast

The Northeast region has been hit hardest by the recession, suffering more severe job losses than the rest of the nation.

- The Northeast office market was troubled by a slowdown in office job growth and an overhang of excess space. The contraction of the finance, insurance and real estate industries resulted in a dramatic decline in office absorption. The average office vacancy rate in the Northeast increased faster than in any other region and effective rents declined. Concessions continued to climb in this tenant's market.

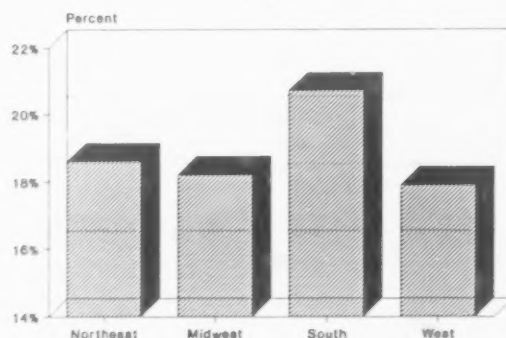
- Multifamily properties in the Northeast outperformed the other commercial property types in the region during 1990 and the first half of 1991. The region's average apartment vacancy rate remained a low 3.5 percent, considerably below vacancies in the rest of the nation.

Midwest

Real estate market conditions in the Midwest softened in the recession, yet the region's increasingly diversi-

Office Vacancy Rates

1991



Source: REIS Reports, Inc. 1991

fied economy helped temper the severity of the downturn.

- The Midwest industrial market had the lowest regional average vacancy rate in 1990 and the first half of 1991, yet the downturn in manufacturing employment resulted in a sharp drop in absorption. Vacancies inched upwards while effective rents were flat.

- The multifamily market improved modestly. Absorption of apartment units outpaced new construction, which continued to fall. Consequently, vacancies declined.

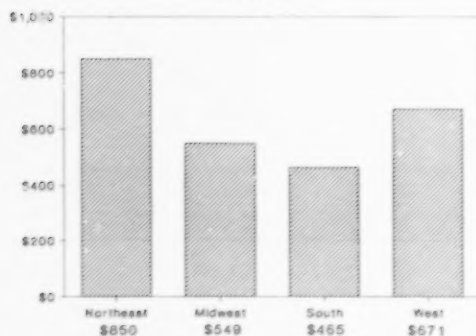
South

The economy of the diverse South region continued to outperform the nation, although growth was slower than in previous years. The recession will not be as deep and recovery should come rather quickly to some parts of the South.

- An analysis of office market statistics for the South revealed a distinct pattern in each of the subre-

Multifamily Effective Rents

1991



Source: REIS Reports, Inc. 1991

gions. In the South Atlantic, several of the strongest office markets during the late-1980s began to show signs of weakening. Meanwhile, signs of improvement were strongest in those office markets that were most heavily overbuilt in recent years in the West South Central. Finally, major markets in the East South Central subregion mirrored the general weakness of the U.S. office market, showing only faint signs of improvement.

- The retail market in the South continued to suffer from the effects of overbuilding and was burdened with the highest average retail vacancy rate in the nation. The generally weak conditions of the retail markets were exacerbated by declining consumer demand. Vacancies inched upwards as new retail centers continued to be constructed while absorption of space slowed.

West

Real estate market conditions in the West were the healthiest in the nation. The strength of the region can be attributed to its economic diversity, which shielded the West from the full effects of the recession, strong trade and investment activity with Asia and Mexico and heavy in-migration.

- The office market in the West remained the strongest in the nation. The region did not suffer from an oversupply of space to the extent seen elsewhere, and had the lowest average vacancy rate. Construction was much more in line with absorption, the average vacancy rate declined modestly and effective rents held firm.

- The West industrial market demonstrated considerable strength, largely attributable to the strong

trade sector which fueled the demand for warehouse/distribution space. As new construction slowed considerably vacancy rates declined.

Conclusion

As the U.S. economy enters a subdued recovery, the demand for commercial space is not expected to regain the levels achieved in the late-1980s. Real estate firms will need to diversify beyond development into other areas such as property and asset management, and those real estate professionals that keep abreast of national trends are the ones who will continue to find the best opportunities. Identifying opportunities for commercial investment and development will require careful research as the industry becomes more competitive than ever before.

More detailed information on commercial and investment real estate market conditions, including forecasts for the remainder of 1991 and 1992, is available in the 1991 *National Real Estate Review*. This annual publication is produced by the Investment Real Estate Research Department within NAR's Economics and Research Division. The report is published in four regional volumes: Northeast, Midwest, South and West. Each provides detailed analyses of economic conditions and real estate market trends during 1990 and the first half of 1991, along with an outlook for the remainder of 1991 and 1992.

Office, industrial, retail, multifamily and hotel property types are examined in depth. In addition to providing an analysis of current conditions within local markets, specific markets that are expected to improve or outperform other markets within the region during 1992 are highlighted in each volume.

The information presented in the 1991 *National Real Estate Review*, as well as the information provided herein, is based on real estate market statistics for 50 Metropolitan Statistical Areas throughout the country provided to NAR by REIS Reports, Inc.

For information on how to obtain the 1991 *National Real Estate Review* contact:

Investment Real Estate Research Department
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U.S. Economic Outlook: October 1991

U.S. Economy

Annual Growth Rate

	91.1	91.2	91.3	91.4	92.1	92.2	92.3	92.4	1989	1990	1991	1992	1993
Real GNP	-2.8	-0.5	2.5	1.3	2.6	3.6	3.3	3.0	2.5	1.0	-0.5	2.5	3.0
Industrial Production	-9.6	2.4	7.1	1.7	3.0	5.7	6.3	5.9	2.6	1.0	-1.7	4.3	5.6
Civilian Employment	-2.4	0.3	-1.4	0.8	0.9	1.6	1.9	1.6	2.0	0.5	-1.0	0.9	1.6
GNP Inflation Index	5.2	4.5	3.0	3.2	3.2	2.5	2.6	2.6	4.1	4.1	4.0	3.0	2.8
Consumer Prices	3.5	2.1	2.8	3.4	3.3	3.1	3.3	3.6	4.8	5.4	4.2	3.2	3.5
Value of the U.S. Dollar	8.0	45.9	1.6	-0.9	-2.0	-2.6	-3.1	0.2	6.2	-9.6	2.2	0.9	0.2

Percent

Mfg. Capacity Utilization	78.0	77.9	78.7	78.5	78.7	79.6	80.6	81.6	84.0	82.3	78.3	80.1	83.7
Civilian Unemployment	6.5	6.8	6.8	6.9	6.9	6.8	6.6	6.5	5.3	5.5	6.8	6.7	6.1

Percent of GNP

Federal Tax Receipts	20.4	20.3	20.2	20.3	20.5	20.5	20.5	20.5	20.2	20.3	20.3	20.5	20.5
Federal Expenditures	22.7	23.6	23.8	24.3	24.6	24.5	24.2	24.0	22.8	23.3	23.6	24.3	23.7
Federal Budget Deficit	-2.3	-3.3	-3.6	-4.1	-4.1	-4.0	-3.7	-3.5	-2.6	-3.0	-3.3	-3.8	-3.2

Interest Rates, Percent

Federal Funds Rate	6.4	5.9	5.7	5.2	5.2	5.3	5.5	5.5	9.2	8.1	5.8	5.4	5.9
3-Month T-Bill Rate	6.0	5.6	5.4	5.1	5.1	5.1	5.2	5.2	8.1	7.5	5.5	5.1	5.4
Prime Rate	9.2	8.7	8.4	8.0	8.0	8.1	8.3	8.3	10.9	10.0	8.6	8.2	8.4
Discount Rate	6.2	5.7	5.4	5.0	5.0	5.0	5.0	5.0	8.9	7.0	5.6	5.0	5.3
Corporate AAA Bond Yield	8.9	8.9	8.8	8.6	8.4	8.3	8.2	8.2	9.3	9.3	8.8	8.3	8.2
30-Year Government Bond Yield	8.2	8.3	8.2	7.9	7.8	7.7	7.7	7.7	8.4	8.6	8.2	7.7	7.7

Mortgage Rates, Percent

30-Year Fixed Rate	9.5	9.5	9.3	8.8	8.7	8.6	8.5	8.4	10.3	10.1	9.3	8.5	8.4
1-Year Adjustable	8.1	7.6	7.1	6.9	6.8	6.7	6.7	6.7	9.3	8.4	7.1	6.7	6.5

Home Sales & Starts

Thousands

Total Single-Family Sales*	3,798	4,289	4,137	4,200	4,317	4,415	4,425	4,463	4,413	4,164	4,106	4,405	4,541
Existing Single-Family Sales	3,083	3,480	3,273	3,327	3,438	3,502	3,483	3,509	3,440	3,296	3,293	3,483	3,562
New Single-Family Sales	466	511	515	524	538	556	562	570	650	534	504	557	586
Housing Starts	915	998	1,060	1,089	1,119	1,176	1,216	1,238	1,376	1,193	1,016	1,187	1,302
Single-Family Units	726	834	890	901	907	941	972	983	1,003	895	838	951	1,009
Multi-Family Units	189	164	170	188	212	234	244	255	373	298	178	236	293
2-4 Family Units	31	31	31	33	37	39	40	40	55	36	32	39	43
5+ Family Units	158	134	139	155	176	195	204	215	318	260	146	197	251
Mobile Homes Shipped	161	174	206	217	225	235	242	242	199	188	189	236	243

Percent change -- Year Ago

Total Single-Family Sales	-15.2	1.3	0.2	8.3	13.7	2.9	7.0	6.2	-4.4	-5.9	-1.7	7.3	3.1
Existing Single-Family Sales	-10.2	3.5	-0.7	6.7	11.1	0.6	6.4	5.5	-4.3	-4.2	-0.1	5.8	2.3
New Single-Family Sales	-22.0	-5.3	-1.5	11.5	15.5	8.8	9.0	8.9	-3.3	-17.8	-5.6	10.4	5.3
Housing Starts	-36.1	-17.1	-6.2	4.5	22.3	17.8	14.7	13.7	-7.5	-13.3	-14.9	16.9	9.7
Single-Family Units	-31.8	-7.0	3.9	14.5	24.9	12.9	9.2	9.2	-7.3	-10.8	-6.4	13.5	6.1
Multi-Family Units	-48.7	-46.6	-38.0	-26.4	12.0	42.6	43.5	35.5	-8.0	-20.1	-40.2	32.8	24.1
2-4 Family Units	-27.1	-29.2	-3.0	8.0	16.9	28.1	27.8	20.2	-5.8	-32.1	-15.7	23.2	9.3
5+ Family Units	-51.5	-49.5	-42.7	-31.1	11.1	45.9	47.1	38.8	-8.3	-18.0	-43.8	34.9	27.0

Median Home Prices

Thousands of Dollars

Existing Home Prices	95.9	101.1	102.5	102.9	103.4	104.6	105.8	107.4	93.1	95.5	100.6	105.3	110.0
New Home Prices	120.2	118.8	121.1	123.6	125.2	126.1	128.3	129.5	120.0	122.9	120.9	127.3	132.8

Percent Change - Year Ago

Existing Home Prices	0.5	4.7	6.2	11.6	7.7	3.4	3.1	4.4	4.4	2.6	5.7	4.6	4.5
New Home Prices	-2.9	-6.2	3.8	1.3	4.1	6.1	5.9	4.8	5.9	2.4	-1.1	5.2	4.4

Quarterly figures are seasonally adjusted annual rates.

* Total single-family sales equals single-family resales plus 97% of single-family housing starts.

Source: Forecast produced using Laurence H. Meyer & Associates' model of the U.S. economy.

Assumptions and simulations by Dr. John Tuccillo, Robert Barr and Kimberly Martin.

The *Real Estate Outlook* features a monthly summary of the current condition of the U.S. economy, easy-to-read forecasts for the economy and real estate, and selected reports on issues affecting the housing industry. In addition, one of the nation's top real estate economists, Dr. John Tuccillo, gives his commentary on the state of the economy and its implications for real estate markets.

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